EPA Region 5 Records Ctr.

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U.S. Department of Justice

Environment and Natural Resources Division

BSG:AML
DJ No. 90-11-3-1620/2

Environmental Enforcement Section
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July 30, 2001

VIA TELECOPY AND REGULAR MAIL

Karl S. Bourdeau   Michael J. O'Callaghan
Beveridge & Diamond   Shumaker, Loop & Kendrick
1350 I Street, N.W., Suite 700   41 S. High Street, Suite 2210
Washington, D.C. 20005-3311   Columbus, OH 43215

> Re: United States v. Aeronca, Inc. et al.
>   Civil Action No. 1:01 CV 00439
>   Whitton's Ability to Pay Claim

Dear Karl and Mike:

I have attached the additional financial information that Kevin Hopper forwarded to me by letters dated July 18, 2001, and July 19, 2001, regarding Whitton. You already have all of the previous documents that Mr. Hopper transmitted. Out of an abundance of caution, however, I also have attached correspondence dated April 9, 2000, because I did not see you, Mike, as being "cc'd" on that correspondence.
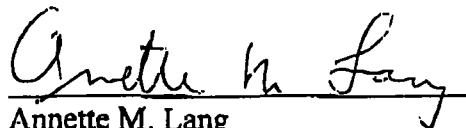
The United States is in the process of evaluating all of the information and will try to finalize our review by no later than August 8, 2001. Mr. Hopper has indicated that Whitton would appreciate a quick turnaround by the United States in making a counteroffer in light of discussions with bankruptcy counsel.

The PRP Group already should have been evaluating the previous information the Group received from Mr. Hopper (we have been discussing Whitton's ability to pay for some time now). The Group should immediately direct its attention toward evaluating the attached. Craig and I hope that the PRP Group will be prepared to set forth its position on Whitton's ability to

pay claim by no later than August 10, 2001. If the Group does not provide such input, we hope that the Group will accept the United States' conclusions with respect to this issue.

     Your prompt attention to this matter is appreciated.

                          Sincerely,

                          Annette M. Lang
                          Trial Attorney

cc: Kevin Hopper (via telecopy w/o attachment)
        Craig Melodia (via telecopy w/o attachment)